THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) The States have been advised the while acquiring land for SEZs, if perforce, double crop land is to be acquired for meeting the minimum land and contiguity criteria, specially in case of Multi Product SEZs,

it must be ensured that such land does not exceed 10% of the total area proposed for the SEZ. After grant of formal approval, effective steps for implementation have to be taken by the developer within 3 years of the date of approval.

(c) The Board of Approval has prescribed a check list for scrutiny of the proposals. Further it has decided that only such proposals which are duly recommended by the State Government will be considered by the Board of Approvals.

(d) The Central Government has notified a list of operations which alone can be undertaken by the developers in the Special Economic Zones. (SEZz) with the approval of the Board of Approvals. Such authorized operations alone would qualify for tax and duly concessions.

FTA With China

1516. SHRI KALRAJ MISHRA:
SHRI SANTOSH BAGRODIA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that China has offered FTA with India;

(b) if so, Government reaction thereto; and

(c) whether Government have assessed that the subsidy provided by the Chinese Government to their manufacturing and serice sectors may distort the bilateral trade under the proposed FTA?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) No, Sir. There is a Joint Task Force of India and China looking into the feasibility of a Regional Trading Arrangement and its benefits.

(c) Does not arise.

New FDI Policy

1517. SHRI CHITTBARATA MAJUMDAR:
SHRI TAPAN KUMAR SEN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government are in the process of finalizing a new Foreign Direct Investment (FDI) policy keeping in view the security concerns;

(b) if so, whether the scrunity concern is country-specific or sector-specific; and

(c) the sectors and countries identified as sensitive *vis-a-vis* India's national security?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) to (c) Government has put in place a liberal Foreign Direct Investment (FDI) policy under which FDI up to 100% is permitted in most sectors and activities. Review of FDI policy is undertaken periodically to review/revise sectoral caps and where necessary, build-in sector-specific sensitivities. FDI policy is incorporated in the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 under the Foreign Exchange Management Act. These Regulations indicate the countries from where investment is not permitted.

Increase in Cement Price

†1518. SHRIMATI MAYA SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the price of cement has recently increased sharply in comparison to the price last year;

(b) if so, whether Government are considering to do away with the import duty on cement to control its price and to check recurrence of price increase in future;

†Original notice of the question was received in Hindi.